

PREVAILED

Roll Call No. \_\_\_\_\_

FAILED

Ayes \_\_\_\_\_

WITHDRAWN

Noes \_\_\_\_\_

RULED OUT OF ORDER

## HOUSE MOTION \_\_\_\_\_

MR. SPEAKER:

I move that House Bill 1522 be amended to read as follows:

- 1 Delete the title and insert the following:
- 2 A BILL FOR AN ACT to amend the Indiana Code concerning
- 3 gaming and to make an appropriation.
- 4 Page 1, between the enacting clause and line 1, begin a new
- 5 paragraph and insert:
- 6 "SECTION 1. IC 4-31-2-11.5 IS ADDED TO THE INDIANA
- 7 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
- 8 [EFFECTIVE JULY 1, 2005]: **Sec. 11.5. "Pari-mutuel pull tab" has**
- 9 **the meaning set forth in IC 4-35-2-5.**
- 10 SECTION 2. IC 4-31-4-2 IS AMENDED TO READ AS
- 11 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) A county fiscal
- 12 body may adopt an ordinance permitting the filing of applications under
- 13 IC 4-31-5 to conduct pari-mutuel wagering on horse races at racetracks
- 14 in the county. However, before adopting the ordinance, the county
- 15 fiscal body must:
- 16 (1) conduct a public hearing on the proposed ordinance; and
- 17 (2) publish notice of the public hearing in the manner prescribed
- 18 by IC 5-3-1.
- 19 (b) The county fiscal body may:
- 20 (1) require in the ordinance adopted by the county fiscal body that
- 21 before applications under IC 4-31-5 to conduct pari-mutuel
- 22 wagering on horse races at racetracks in the county may be filed,
- 23 the voters of the county must approve the conducting of horse
- 24 racing meetings in the county under section 3 of this chapter; or
- 25 (2) amend an ordinance already adopted by the county fiscal body

to require that before applications under IC 4-31-5 to conduct pari-mutuel wagering on horse races at racetracks in the county may be filed, the voters of the county must approve the conducting of horse racing meetings in the county under section 3 of this chapter.

An ordinance adopted under this section may not be amended to apply to a person who has already been issued a permit under IC 4-31-5 before amendment of the ordinance.

**(c) An ordinance adopted under this section authorizing a person to conduct pari-mutuel wagering on horse races at racetracks in the county may not be adopted or amended in a manner that restricts a permit holder's ability to sell pari-mutuel pull tabs under IC 4-35. An ordinance adopted by the county fiscal body permitting the sale of pari-mutuel pull tabs is not a prerequisite for the lawful sale of pari-mutuel pull tabs under IC 4-35.**

SECTION 3. IC 4-31-5.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) As used in this section, "live racing day" means a day on which at least eight (8) live horse races are conducted.

(b) The commission's authority to issue satellite facility licenses is subject to the following conditions:

(1) **Except as provided in subsection (c)**, the commission may issue four (4) satellite facility licenses to each permit holder that:

(A) conducts at least one hundred twenty (120) live racing days per year at the racetrack designated in the permit holder's permit; and

(B) meets the other requirements of this chapter and the rules adopted under this chapter.

If a permit holder that operates satellite facilities does not meet the required minimum number of live racing days, the permit holder may not operate the permit holder's satellite facilities during the following year. However, the requirement for one hundred twenty (120) live racing days does not apply if the commission determines that the permit holder is prevented from conducting live horse racing as a result of a natural disaster or other event over which the permit holder has no control. In addition, if the initial racing meeting conducted by a permit holder commences at such a time as to make it impractical to conduct one hundred twenty (120) live racing days during the permit holder's first year of operations, the commission may authorize the permit holder to conduct simulcast wagering during the first year of operations with fewer than one hundred twenty (120) live racing days.

(2) Each proposed satellite facility must be covered by a separate application. The timing for filing an initial application for a satellite facility license shall be established by the rules of the commission.

(3) A satellite facility must:

(A) have full dining service available;

(B) have multiple screens to enable each patron to view simulcast races; and

(C) be designed to seat comfortably a minimum of four hundred (400) persons.

(4) In determining whether a proposed satellite facility should be approved, the commission shall consider the following:

(A) The purposes and provisions of this chapter.

(B) The public interest.

(C) The impact of the proposed satellite facility on live racing.

(D) The impact of the proposed satellite facility on the local community.

(E) The potential for job creation.

(F) The quality of the physical facilities and the services to be provided at the proposed satellite facility.

(G) Any other factors that the commission considers important or relevant to its decision.

(5) The commission may not issue a license for a satellite facility to be located in a county unless IC 4-31-4 has been satisfied.

**(c) After December 31, 2004, a permit holder may not submit an initial application for a license to operate an additional satellite facility under this chapter. After December 31, 2004, the commission may not issue an initial license for a new satellite facility. A satellite facility license issued before January 1, 2005, may be renewed annually subject to the requirements of this chapter.**

SECTION 4. IC 4-31-7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) A person holding a permit to conduct a horse racing meeting or a license to operate a satellite facility may provide a place in the racing meeting grounds or enclosure or the satellite facility at which the person may conduct and supervise the pari-mutuel system of wagering by patrons of legal age on the horse races conducted or simulcast by the person. The person may not permit or use:

(1) another place other than that provided and designated by the person; or

(2) another method or system of betting or wagering.

**However, a person holding a permit to conduct a horse racing meeting may permit wagering on pari-mutuel pull tabs at the person's racetrack or satellite facility as permitted by IC 4-35.**

(b) Except as provided in section 7 of this chapter and IC 4-31-5.5, the pari-mutuel system of wagering may not be conducted on any races except the races at the racetrack, grounds, or enclosure for which the person holds a permit.

SECTION 5. IC 4-31-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) A person less

than eighteen (18) years of age may not wager at a horse racing meeting.

(b) A person less than ~~seventeen (17)~~ **eighteen (18)** years of age may not enter the grandstand, clubhouse, or similar areas of a racetrack at which wagering is permitted unless accompanied by a person who is at least twenty-one (21) years of age.

(c) A person less than eighteen (18) years of age may not enter a satellite facility.

**(d) A person less than twenty-one (21) years of age may not enter the part of a racetrack or satellite facility in which pari-mutuel pull tabs are sold and redeemed.**

SECTION 6. IC 4-31-9-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. A person that holds a permit to conduct a horse racing meeting or a license to operate a satellite facility shall withhold:

(1) eighteen percent (18%) of the total of money wagered on each day at the racetrack or satellite facility (including money wagered on exotic wagering pools, **but excluding money wagered on pari-mutuel pull tabs under IC 4-35**); plus

(2) an additional three and one-half percent (3.5%) of the total of all money wagered on exotic wagering pools on each day at the racetrack or satellite facility.

SECTION 7. IC 4-32-15-0.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 0.5. This chapter does not apply to the sale of pari-mutuel pull tabs under IC 4-35."**

Page 1, between lines 10 and 11, begin a new paragraph and insert:

"SECTION 9. IC 4-33-2-16.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 16.3. "Pari-mutuel pull tab" has the meaning set forth in IC 4-35-2-5.**

SECTION 10. IC 4-33-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The commission shall adopt rules under IC 4-22-2 for the following purposes:

(1) Administering this article.

(2) Establishing the conditions under which riverboat gambling in Indiana may be conducted.

(3) Providing for the prevention of practices detrimental to the public interest and providing for the best interests of riverboat gambling.

(4) Establishing rules concerning inspection of riverboats and the review of the permits or licenses necessary to operate a riverboat.

(5) Imposing penalties for noncriminal violations of this article.

**(6) Establishing the conditions under which the sale, purchase, and redemption of pari-mutuel pull tabs may be conducted under IC 4-35."**

Page 5, between lines 2 and 3, begin a new paragraph and insert:

"SECTION 15. IC 4-33-12-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The department shall place in the state general fund the tax revenue collected under this chapter.

(b) Except as provided by subsections (c) and (d) and IC 6-3.1-20-7, the treasurer of state shall quarterly pay the following amounts:

(1) Except as provided in subsection (k), one dollar (\$1) of the admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat that has implemented flexible scheduling under IC 4-33-6-21 during the quarter shall be paid to:

(A) the city in which the riverboat is docked, if the city:

(i) is located in a county having a population of more than one hundred ten thousand (110,000) but less than one hundred fifteen thousand (115,000); or

(ii) is contiguous to the Ohio River and is the largest city in the county; and

(B) the county in which the riverboat is docked, if the riverboat is not docked in a city described in clause (A).

(2) Except as provided in subsection (k), one dollar (\$1) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the county in which the riverboat is docked. In the case of a county described in subdivision (1)(B), this one dollar (\$1) is in addition to the one dollar (\$1) received under subdivision (1)(B).

(3) Except as provided in subsection (k), ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the county convention and visitors bureau or promotion fund for the county in which the riverboat is docked.

(4) Except as provided in subsection (k), fifteen cents (\$0.15) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during a quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the state fair commission, for use in any activity that the commission is authorized to carry out under IC 15-1.5-3.

(5) Except as provided in subsection (k), ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has

implemented flexible scheduling under IC 4-33-6-21; shall be paid to the division of mental health and addiction. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(6) Except as provided in ~~subsection~~ **subsections (k) and (l)**, sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21 shall be paid to the Indiana horse racing commission to be distributed as follows, in amounts determined by the Indiana horse racing commission, for the promotion and operation of horse racing in Indiana:

(A) To one (1) or more breed development funds established by the Indiana horse racing commission under IC 4-31-11-10.

(B) To a racetrack that was approved by the Indiana horse racing commission under IC 4-31. The commission may make a grant under this clause only for purses, promotions, and routine operations of the racetrack. No grants shall be made for long term capital investment or construction, and no grants shall be made before the racetrack becomes operational and is offering a racing schedule.

(c) With respect to tax revenue collected from a riverboat located in a historic hotel district, the treasurer of state shall quarterly pay the following amounts:

(1) Twenty-five percent (25%) of the admissions tax collected during the quarter shall be paid to the county treasurer of the county in which the riverboat is docked. The county treasurer shall distribute the money received under this subdivision as follows:

(A) Twenty percent (20%) shall be quarterly distributed to the county treasurer of a county having a population of more than thirty-nine thousand six hundred (39,600) but less than forty thousand (40,000) for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(B) Twenty percent (20%) shall be quarterly distributed to the county treasurer of a county having a population of more than ten thousand seven hundred (10,700) but less than twelve thousand (12,000) for appropriation by the county fiscal body. The county fiscal body for the receiving county shall provide

for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(C) Sixty percent (60%) shall be retained by the county where the riverboat is docked for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body shall provide for the distribution of part or all of the money received under this clause to the following under a formula established by the county fiscal body:

(i) A town having a population of more than two thousand two hundred (2,200) but less than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).

(ii) A town having a population of more than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000).

(2) Sixteen percent (16%) of the admissions tax collected during the quarter shall be paid in equal amounts to each town that:

- (A) is located in the county in which the riverboat docks; and
- (B) contains a historic hotel.

The town council shall appropriate a part of the money received by the town under this subdivision to the budget of the town's tourism commission.

(3) Nine percent (9%) of the admissions tax collected during the quarter shall be paid to the historic hotel preservation commission established under IC 36-7-11.5.

(4) Twenty-five percent (25%) of the admissions tax collected during the quarter shall be paid to the West Baden Springs historic hotel preservation and maintenance fund established by IC 36-7-11.5-11(b).

(5) Twenty-five percent (25%) of the admissions tax collected during the quarter shall be paid to the department of commerce to be used by the department for the development and implementation of a regional economic development strategy to assist the residents of the county in which the riverboat is located and residents of contiguous counties in improving their quality of life and to help promote successful and sustainable communities. The regional economic development strategy must include goals concerning the following issues:

- (A) Job creation and retention.
- (B) Infrastructure, including water, wastewater, and storm water infrastructure needs.

- 1 (C) Housing.
- 2 (D) Workforce training.
- 3 (E) Health care.
- 4 (F) Local planning.
- 5 (G) Land use.
- 6 (H) Assistance to regional economic development groups.
- 7 (I) Other regional development issues as determined by the
- 8 department.
- 9 (d) With respect to tax revenue collected from a riverboat that
- 10 operates from a county having a population of more than four hundred
- 11 thousand (400,000) but less than seven hundred thousand (700,000), the
- 12 treasurer of state shall quarterly pay the following amounts:
- 13 (1) Except as provided in subsection (k), one dollar (\$1) of the
- 14 admissions tax collected by the licensed owner for each person:
- 15 (A) embarking on a gambling excursion during the quarter; or
- 16 (B) admitted to a riverboat during the quarter that has
- 17 implemented flexible scheduling under IC 4-33-6-21;
- 18 shall be paid to the city in which the riverboat is docked.
- 19 (2) Except as provided in subsection (k), one dollar (\$1) of the
- 20 admissions tax collected by the licensed owner for each person:
- 21 (A) embarking on a gambling excursion during the quarter; or
- 22 (B) admitted to a riverboat during the quarter that has
- 23 implemented flexible scheduling under IC 4-33-6-21;
- 24 shall be paid to the county in which the riverboat is docked.
- 25 (3) Except as provided in subsection (k), nine cents (\$0.09) of the
- 26 admissions tax collected by the licensed owner for each person:
- 27 (A) embarking on a gambling excursion during the quarter; or
- 28 (B) admitted to a riverboat during the quarter that has
- 29 implemented flexible scheduling under IC 4-33-6-21;
- 30 shall be paid to the county convention and visitors bureau or
- 31 promotion fund for the county in which the riverboat is docked.
- 32 (4) Except as provided in subsection (k), one cent (\$0.01) of the
- 33 admissions tax collected by the licensed owner for each person:
- 34 (A) embarking on a gambling excursion during the quarter; or
- 35 (B) admitted to a riverboat during the quarter that has
- 36 implemented flexible scheduling under IC 4-33-6-21;
- 37 shall be paid to the northwest Indiana law enforcement training
- 38 center.
- 39 (5) Except as provided in subsection (k), fifteen cents (\$0.15) of
- 40 the admissions tax collected by the licensed owner for each
- 41 person:
- 42 (A) embarking on a gambling excursion during the quarter; or
- 43 (B) admitted to a riverboat during a quarter that has
- 44 implemented flexible scheduling under IC 4-33-6-21;
- 45 shall be paid to the state fair commission for use in any activity
- 46 that the commission is authorized to carry out under IC 15-1.5-3.
- 47 (6) Except as provided in subsection (k), ten cents (\$0.10) of the



admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the division of mental health and addiction. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(7) Except as provided in ~~subsection~~ **subsections (k) and (l)**, sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21 shall be paid to the Indiana horse racing commission to be distributed as follows, in amounts determined by the Indiana horse racing commission, for the promotion and operation of horse racing in Indiana:

(A) To one (1) or more breed development funds established by the Indiana horse racing commission under IC 4-31-11-10.

(B) To a racetrack that was approved by the Indiana horse racing commission under IC 4-31. The commission may make a grant under this clause only for purses, promotions, and routine operations of the racetrack. No grants shall be made for long term capital investment or construction, and no grants shall be made before the racetrack becomes operational and is offering a racing schedule.

(e) Money paid to a unit of local government under subsection (b)(1) through (b)(2), (c)(1) through (c)(2), or (d)(1) through (d)(2):

(1) must be paid to the fiscal officer of the unit and may be deposited in the unit's general fund or riverboat fund established under IC 36-1-8-9, or both;

(2) may not be used to reduce the unit's maximum levy under IC 6-1.1-18.5 but may be used at the discretion of the unit to reduce the property tax levy of the unit for a particular year;

(3) may be used for any legal or corporate purpose of the unit, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4; and

(4) is considered miscellaneous revenue.

(f) Money paid by the treasurer of state under subsection (b)(3) or (d)(3) shall be:

(1) deposited in:

(A) the county convention and visitor promotion fund; or

(B) the county's general fund if the county does not have a convention and visitor promotion fund; and

(2) used only for the tourism promotion, advertising, and economic development activities of the county and community.

(g) Money received by the division of mental health and addiction

- 1 under subsections (b)(5) and (d)(6):
- 2 (1) is annually appropriated to the division of mental health and
- 3 addiction;
- 4 (2) shall be distributed to the division of mental health and
- 5 addiction at times during each state fiscal year determined by the
- 6 budget agency; and
- 7 (3) shall be used by the division of mental health and addiction for
- 8 programs and facilities for the prevention and treatment of
- 9 addictions to drugs, alcohol, and compulsive gambling, including
- 10 the creation and maintenance of a toll free telephone line to
- 11 provide the public with information about these addictions. The
- 12 division shall allocate at least twenty-five percent (25%) of the
- 13 money received to the prevention and treatment of compulsive
- 14 gambling.
- 15 (h) This subsection applies to the following:
- 16 (1) Each entity receiving money under subsection (b).
- 17 (2) Each entity receiving money under subsection (d)(1) through
- 18 (d)(2).
- 19 (3) Each entity receiving money under subsection (d)(5) through
- 20 (d)(7).
- 21 The treasurer of state shall determine the total amount of money paid
- 22 by the treasurer of state to an entity subject to this subsection during the
- 23 state fiscal year 2002. The amount determined under this subsection is
- 24 the base year revenue for each entity subject to this subsection. The
- 25 treasurer of state shall certify the base year revenue determined under
- 26 this subsection to each entity subject to this subsection.
- 27 (i) This subsection applies to an entity receiving money under
- 28 subsection (d)(3) or (d)(4). The treasurer of state shall determine the
- 29 total amount of money paid by the treasurer of state to the entity
- 30 described in subsection (d)(3) during state fiscal year 2002. The amount
- 31 determined under this subsection multiplied by nine-tenths (0.9) is the
- 32 base year revenue for the entity described in subsection (d)(3). The
- 33 amount determined under this subsection multiplied by one-tenth (0.1)
- 34 is the base year revenue for the entity described in subsection (d)(4).
- 35 The treasurer of state shall certify the base year revenue determined
- 36 under this subsection to each entity subject to this subsection.
- 37 (j) This subsection does not apply to an entity receiving money
- 38 under subsection (c). For state fiscal years beginning after June 30,
- 39 2002, the total amount of money distributed to an entity under this
- 40 section during a state fiscal year may not exceed the entity's base year
- 41 revenue as determined under subsection (h) or (i). If the treasurer of
- 42 state determines that the total amount of money distributed to an entity
- 43 under this section during a state fiscal year is less than the entity's base
- 44 year revenue, the treasurer of state shall make a supplemental
- 45 distribution to the entity under IC 4-33-13-5(g).
- 46 (k) This subsection does not apply to an entity receiving money
- 47 under subsection (c). For state fiscal years beginning after June 30,

2002, the treasurer of state shall pay that part of the riverboat admissions taxes that:

- (1) exceed a particular entity's base year revenue; and
- (2) would otherwise be due to the entity under this section; to the property tax replacement fund instead of to the entity.

**(l) The maximum amount paid to the Indiana horse racing commission under this section in a state fiscal year ending before July 1, 2007, may not exceed the remainder of:**

- (1) the Indiana horse racing commission's base year revenue as determined under subsection (h); minus**
- (2) the amount of pari-mutuel pull tab wagering taxes, if any, paid to the Indiana horse racing commission under IC 4-35-8-3 in the state fiscal year.**

**The treasurer of state shall pay the amount of the admissions taxes equal to the amount of pari-mutuel pull tab wagering taxes subtracted from the Indiana horse racing commission's base year revenue under this subsection to the property tax replacement fund instead of to the Indiana horse racing commission. For a state fiscal year beginning after June 30, 2007, the Indiana horse racing commission is not entitled to a distribution of admissions taxes collected under this chapter. After June 30, 2007, the treasurer of state shall pay the admissions taxes specified in subsections (b)(6) and (d)(7) to the property tax replacement fund instead of to the Indiana horse racing commission.**

SECTION 16. IC 4-33-18-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) Nothing in this chapter may be construed to limit the powers or responsibilities of:

- (1) the ~~Indiana state~~ lottery commission under IC 4-30;
- (2) the Indiana horse racing commission under IC 4-31;
- (3) the department of state revenue under IC 4-32; or
- (4) the Indiana gaming commission under IC 4-33 **or IC 4-35.**

(b) The department may not exercise any administrative or regulatory powers with respect to:

- (1) the Indiana lottery under IC 4-30;
- (2) pari-mutuel horse racing under IC 4-31;
- (3) charity gaming under IC 4-32; ~~or~~
- (4) riverboat casino gambling under IC 4-33; **or**
- (5) pari-mutuel pull tabs under IC 4-35.**

SECTION 17. IC 4-35 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

## **ARTICLE 35. PARI-MUTUEL PULL TABS**

### **Chapter 1. Application**

**Sec. 1. This article applies only to the sale of pari-mutuel pull tabs by a permit holder licensed under IC 4-35-5.**

**Sec. 2. This article does not apply to the sale of pull tabs by:**

- (1) the state lottery commission under IC 4-30; or**

(2) a qualified organization (as defined in IC 4-32-6-20) under IC 4-32.

## **Chapter 2. Definitions**

**Sec. 1.** The definitions in this chapter apply throughout this article.

**Sec. 2.** "Adjusted gross receipts" means:

(1) the total of all cash and property (including checks received by a permit holder, whether collected or not) received by a permit holder from pari-mutuel pull tab sales; minus

(2) the total of:

(A) all cash paid out to patrons as winnings for pari-mutuel pull tabs; and

(B) uncollectible pari-mutuel pull tab receivables, not to exceed the lesser of:

(i) a reasonable provision for uncollectible patron checks received from pari-mutuel pull tab sales; or

(ii) two percent (2%) of the total of all sums, including checks, whether collected or not, less the amount paid out to patrons as winnings for pari-mutuel pull tabs.

For purposes of this section, a counter or personal check that is invalid or unenforceable under this article is considered cash received by the permit holder from pari-mutuel pull tab sales.

**Sec. 3.** "Commission" refers to the Indiana gaming commission established by IC 4-33-3-1.

**Sec. 4.** "Department" refers to the department of state revenue.

**Sec. 5.** "Pari-mutuel pull tab" means a game offered to the public in which a person who purchases a ticket or simulated ticket has the opportunity to share in a prize pool, multiple prize pools, or a shared prize pool consisting of the total amount wagered in the game minus deductions by the permit holder selling the pari-mutuel pull tab and other deductions either permitted or required by law.

**Sec. 6.** "Permit holder" means a person holding a permit issued under IC 4-31-5 to conduct a pari-mutuel horse racing meeting.

**Sec. 7.** "Racetrack" means the racetrack specified in a permit holder's permit to conduct a pari-mutuel horse racing meeting.

**Sec. 8.** "Supplier's license" means a license issued under IC 4-35-6.

## **Chapter 3. General Provisions**

**Sec. 1.** All shipments of gambling devices, including pari-mutuel pull tab machines, to permit holders in Indiana, the registering, recording, and labeling of which have been completed by the manufacturer or dealer in accordance with 15 U.S.C. 1171 through 15 U.S.C. 1178, are legal shipments of gambling devices into Indiana.

1       **Sec. 2.** Under 15 U.S.C. 1172, approved January 2, 1951, the  
 2       state of Indiana, acting by and through elected and qualified  
 3       members of the general assembly, declares that the state is exempt  
 4       from 15 U.S.C. 1172.

5       **Chapter 4. Powers and Duties of the Indiana Gaming**  
 6       **Commission**

7       **Sec. 1.** The commission shall regulate and administer the sale,  
 8       purchase, and redemption of pari-mutuel pull tabs under this  
 9       article.

10       **Sec. 2. (a)** The commission shall adopt rules under IC 4-22-2,  
 11       including emergency rules adopted under a procedure identical to  
 12       the procedure set forth in IC 4-22-2-37.1, to implement this article,  
 13       including rules that prescribe:

14               (1) an approval process for pari-mutuel pull tab games that  
 15               requires periodic testing of the games and equipment by an  
 16               independent entity under the oversight of the commission to  
 17               ensure the integrity of the games to the public;

18               (2) a system of internal audit controls;

19               (3) a method of payment for pari-mutuel pull tab prizes that  
 20               allows a player to transfer credits from one (1) terminal or  
 21               device to another;

22               (4) a method of payment for pari-mutuel pull tab prizes that  
 23               allows a player to redeem a winning ticket for additional play  
 24               tickets or credit to permit purchase of additional play tickets;

25               (5) requirements for a license to sell pari-mutuel pull tabs that  
 26               a permit holder must obtain from the commission before  
 27               selling pari-mutuel pull tabs; and

28               (6) any other procedure or requirement necessary for the  
 29               efficient and economical operation of the pari-mutuel pull tab  
 30               games and the convenience of the public.

31       **(b)** The commission may enter into a contract with the Indiana  
 32       horse racing commission for the provision of services necessary to  
 33       administer pari-mutuel pull tab games.

34       **Chapter 5. Pari-Mutuel Pull Tab License**

35       **Sec. 1.** The commission may issue a license to a permit holder to  
 36       sell pari-mutuel pull tabs under this article at the permit holder's  
 37       racetrack.

38       **Sec. 2.** Before issuing a license to a permit holder under this  
 39       chapter, the commission shall subject the permit holder to a  
 40       background investigation similar to a background investigation  
 41       required for an applicant for a riverboat owner's license under  
 42       IC 4-33-6.

43       **Sec. 3.** An initial pari-mutuel pull tab license expires five (5)  
 44       years after the effective date of the license. Unless the pari-mutuel  
 45       pull tab license is terminated or revoked, the pari-mutuel pull tab  
 46       license may be renewed annually thereafter upon:

1 (1) the payment of an annual renewal fee determined by the  
2 commission; and

3 (2) a determination by the commission that the permit holder  
4 satisfies the conditions of this chapter.

5 Sec. 4. (a) A permit holder holding a pari-mutuel pull tab license  
6 shall undergo a complete investigation every three (3) years to  
7 determine whether the permit holder remains in compliance with  
8 this article.

9 (b) Notwithstanding subsection (a), the commission may  
10 investigate a permit holder at any time the commission determines  
11 it is necessary to ensure that the permit holder remains in  
12 compliance with this article.

13 Sec. 5. A permit holder shall bear the cost of an investigation or  
14 a reinvestigation of the permit holder and any investigation  
15 resulting from a potential transfer of ownership.

16 Sec. 6. The commission may assess an administrative fee to a  
17 permit holder offering pari-mutuel pull tab games in an amount  
18 that allows the commission to recover all the commission's costs of  
19 administering this article.

#### 20 Chapter 6. Pari-Mutuel Pull Tab Suppliers

21 Sec. 1. The commission may issue a supplier's license under this  
22 chapter to a person if:

23 (1) the person has:

24 (A) applied for the supplier's license;

25 (B) paid a nonrefundable application fee set by the  
26 commission;

27 (C) paid a five thousand dollar (\$5,000) annual supplier's  
28 license fee; and

29 (D) submitted, on forms provided by the commission, two

30 (2) sets of:

31 (i) the individual's fingerprints, if the applicant is an  
32 individual; or

33 (ii) fingerprints for each officer and director of the  
34 applicant, if the applicant is not an individual; and

35 (2) the commission has determined that the applicant is  
36 eligible for a supplier's license.

37 Sec. 2. (a) A holder of a supplier's license issued under this  
38 chapter may sell, lease, and contract to sell or lease pari-mutuel  
39 pull tab terminals and devices to a permit holder authorized to sell  
40 and redeem pari-mutuel pull tabs under IC 4-35-5.

41 (b) Pari-mutuel pull tab terminals and devices may not be  
42 distributed unless the terminals and devices conform to standards  
43 adopted by the commission.

44 Sec. 3. A person may not receive a supplier's license under this  
45 chapter if:

46 (1) the person has been convicted of a felony under Indiana

law, the laws of any other state, or the laws of the United States;

(2) the person has knowingly or intentionally submitted an application for a supplier's license under this chapter that contains false information;

(3) the person is a member of the commission;

(4) the person is an officer, a director, or a managerial employee of a person described in subdivision (1) or (2);

(5) the person employs an individual who:

(A) is described in subdivision (1), (2), or (3); and

(B) participates in the management or operation of gambling operations authorized under this article;

(6) the person owns more than a ten percent (10%) ownership interest in any other person holding a permit issued under IC 4-31; or

(7) a license issued to the person:

(A) under this article; or

(B) to supply gaming supplies in another jurisdiction;

has been revoked.

**Sec. 4.** A person may not furnish pari-mutuel pull tab terminals or devices to a permit holder unless the person possesses a supplier's license.

**Sec. 5. (a)** A supplier shall furnish to the commission a list of all pari-mutuel pull tab terminals and devices offered for sale or lease in connection with the sale of pari-mutuel pull tabs authorized under this article.

**(b)** A supplier shall keep books and records for the furnishing of pari-mutuel pull tab terminals and devices to permit holders. The books and records must be separate from books and records of any other business operated by the supplier.

**(c)** A supplier shall file a quarterly return with the commission listing all sales and leases.

**(d)** A supplier shall permanently affix the supplier's name to all pari-mutuel pull tab terminals or devices that the supplier provides to permit holders under this chapter.

**Sec. 6.** A supplier's pari-mutuel pull tab terminals or devices that are used by a person in an unauthorized gambling operation shall be forfeited to the state.

**Sec. 7.** Pari-mutuel pull tab terminals and devices that are provided by a supplier may be:

(1) repaired on the premises of a racetrack; or

(2) removed for repair from the racetrack to a facility owned by the permit holder.

**Sec. 8. (a)** Unless a supplier's license is suspended, expires, or is revoked, the supplier's license may be renewed annually upon:

(1) the payment of a five thousand dollar (\$5,000) annual

1 renewal fee; and

2 (2) a determination by the commission that the holder of the  
3 supplier's license is in compliance with this article.

4 (b) The holder of a supplier's license shall undergo a complete  
5 investigation every three (3) years to determine whether the holder  
6 of the supplier's license is in compliance with this article.

7 (c) Notwithstanding subsection (b), the commission may  
8 investigate the holder of a supplier's license at any time the  
9 commission determines it is necessary to ensure that the holder of  
10 the supplier's license is in compliance with this article.

11 (d) The holder of a supplier's license shall bear the cost of an  
12 investigation or reinvestigation of the licensee and any investigation  
13 resulting from a potential transfer of ownership.

#### 14 Chapter 7. Conduct of Pari-Mutuel Pull Tab Games

15 Sec. 1. A pari-mutuel pull tab game must be conducted in the  
16 following manner:

17 (1) Each set of pari-mutuel pull tabs must have a  
18 predetermined:

19 (A) total purchase price; and

20 (B) amount of prizes.

21 (2) Randomly ordered pari-mutuel pull tabs may be  
22 distributed from an approved location or from a distribution  
23 device to:

24 (A) the permit holder at the permit holder's racetrack; or

25 (B) a terminal or device of the permit holder at the permit  
26 holder's racetrack.

27 (3) A pari-mutuel pull tab must be presented to a player in the  
28 form of a paper ticket or display on a terminal or device.

29 (4) Game results must be initially covered or otherwise  
30 concealed from view on the pari-mutuel pull tab ticket,  
31 terminal, or device so that the number, letter, symbol, or set  
32 of numbers, letters, or symbols cannot be seen until the  
33 concealing medium is removed.

34 (5) A winner is identified after the display of the game results  
35 when a player removes the concealing medium of the  
36 pari-mutuel pull tab ticket or display on a terminal or device.

37 (6) A winner shall receive the prize or prizes posted or  
38 displayed for the game from the permit holder.

39 Sec. 2. A person less than twenty-one (21) years of age may not  
40 purchase a pari-mutuel pull tab.

41 Sec. 3. The sale price of a pari-mutuel pull tab may not exceed  
42 ten dollars (\$10).

43 Sec. 4. The sale, purchase, and redemption of pari-mutuel pull  
44 tabs are limited to a racetrack operated by a permit holder licensed  
45 to sell pari-mutuel pull tab tickets under IC 4-35-5.

46 Sec. 5. A permit holder may not install more than one thousand



1 five hundred (1,500) pari-mutuel pull tab terminals or devices on  
2 the premises of the permit holder's racetrack.

3 Sec. 6. The number and amount of the prizes in a pari-mutuel  
4 pull tab game must be finite. However, the commission may not  
5 limit the number or amount of prizes in a pari-mutuel pull tab  
6 game.

7 Sec. 7. A list of prizes for winning pari-mutuel pull tabs must be  
8 posted or displayed at a location where the pari-mutuel pull tabs  
9 are sold.

10 Sec. 8. A permit holder may close a pari-mutuel pull tab game  
11 at any time.

12 Sec. 9. A pari-mutuel pull tab terminal or device may be  
13 operated by a player without the assistance of the permit holder for  
14 the sale and redemption of pari-mutuel pull tabs.

15 Sec. 10. A pari-mutuel pull tab terminal or device may not  
16 dispense coins or currency as prizes for winning pari-mutuel pull  
17 tabs. Prizes awarded by a terminal or device must be in the form  
18 of credits for additional play or certificates redeemable for cash or  
19 prizes.

## 20 Chapter 8. Taxation of Pari-Mutuel Pull Tabs

21 Sec. 1. (a) A tax is imposed on the adjusted gross receipts  
22 received from the sale of pari-mutuel pull tabs authorized under  
23 this article at the rate of thirty-two percent (32%).

24 (b) A permit holder shall remit the tax imposed by this section  
25 to the department before the close of the business day following the  
26 day the pari-mutuel pull tabs are sold.

27 (c) The department may require payment under this section to  
28 be made by electronic funds transfer (as defined in IC 4-8.1-2-7(f)).

29 (d) If the department requires taxes to be remitted under this  
30 chapter through electronic funds transfer, the department may  
31 allow the permit holder to file a monthly report to reconcile the  
32 amounts remitted to the department.

33 (e) The department may allow taxes remitted under this section  
34 to be reported on the same form used for taxes paid under  
35 IC 4-31-9.

36 Sec. 2. (a) The state pull tab wagering fund is established.  
37 Money in the fund does not revert to the state general fund at the  
38 end of a state fiscal year.

39 (b) The department shall deposit tax revenue collected under  
40 section 1 of this chapter in the state pull tab wagering fund.

41 (c) Money in the fund is appropriated for the purposes of this  
42 chapter.

43 Sec. 3. (a) This section applies to the first twenty-seven million  
44 two hundred five thousand two hundred eighty-four dollars  
45 (\$27,205,284) deposited in the state pull tab wagering fund under  
46 section 2 of this chapter in a state fiscal year ending before July 1,

1     **2007.**

2       **(b) Before the fifteenth day of each month, the treasurer of state**  
 3     **shall distribute the tax revenue deposited in the state pull tab**  
 4     **wagering fund in the preceding month to the Indiana horse racing**  
 5     **commission to be distributed in amounts determined by the**  
 6     **Indiana horse racing commission as follows:**

7       **(1) To one (1) or more breed development funds established**  
 8       **by the Indiana horse racing commission under IC 4-31-11-10.**

9       **(2) To a racetrack that was approved by the Indiana horse**  
 10      **racing commission under IC 4-31. The commission may make**  
 11      **a grant under this clause only for purses, promotions, and**  
 12      **routine operations of the racetrack. No grants shall be made**  
 13      **for long term capital investment or construction, and no**  
 14      **grants shall be made before the racetrack becomes**  
 15      **operational and is offering a racing schedule.**

16      **Sec. 4. (a) This section applies to the tax revenue deposited in the**  
 17      **state pull tab wagering fund that exceeds twenty-seven million two**  
 18      **hundred five thousand two hundred eighty-four dollars**  
 19      **(\$27,205,284) in a state fiscal year ending before July 1, 2007.**

20      **(b) Before the fifteenth day of each month, the treasurer of state**  
 21      **shall transfer the remaining tax revenue as follows:**

22       **(1) Seventy percent (70%) to the state general fund.**

23       **(2) Thirty percent (30%) to the state revenue sharing fund**  
 24       **established under section 10 of this chapter.**

25      **Sec. 5. (a) This section applies to a state fiscal year beginning**  
 26      **after June 30, 2007.**

27      **(b) Before the fifteenth day of each month, the treasurer of state**  
 28      **shall transfer the tax revenue deposited in the state pull tab**  
 29      **wagering fund under section 2 of this chapter in the preceding**  
 30      **month as follows:**

31       **(1) Seventy percent (70%) to the state general fund.**

32       **(2) Thirty percent (30%) to the state revenue sharing fund**  
 33       **established under section 10 of this chapter.**

34      **Sec. 6. (a) Before the fifteenth day of each month, a permit**  
 35      **holder shall pay to the Indiana horse racing commission for the**  
 36      **promotion of horse racing a fee of fifteen percent (15%) of the**  
 37      **permit holder's adjusted gross receipts from the sale of pari-mutuel**  
 38      **pull tabs for the previous month.**

39      **(b) Subject to subdivision (1)(C), the Indiana horse racing**  
 40      **commission shall distribute the money that is paid under subsection**  
 41      **(a) as follows:**

42       **(1) Eighty-one percent (81%) for the following purposes:**

43       **(A) Forty-six percent (46%) for thoroughbred purposes as**  
 44       **follows:**

45       **(i) Ninety-eight and five-tenths percent (98.5%) for**  
 46       **thoroughbred purses.**

(ii) One and two-tenths percent (1.2%) to the horsemen's association representing thoroughbred owners and trainers.

(iii) Three-tenths of one percent (0.3%) to the horsemen's association representing thoroughbred owners and breeders.

(B) Forty-six percent (46%) for standardbred purposes as follows:

(i) Ninety-eight and five-tenths percent (98.5%) for standardbred purses.

(ii) One and five-tenths percent (1.5%) to the horsemen's association representing standardbred owners and trainers.

(C) Eight percent (8%) for quarterhorse purposes as follows:

(i) Ninety-five percent (95%) for quarterhorse purses.

(ii) Five percent (5%) to the horsemen's association representing quarterhorse owners and trainers.

However, in the first year after the commencement of pull tab operations, the money distributed under this clause may not exceed the lesser of two million seven hundred thousand dollars (\$2,700,000) or eight percent (8%) of the money paid under this subdivision. If quarterhorse races average at least seven and five-tenths (7.5) horses per gate in the first year after the commencement of pull tab operations or in a subsequent year, the money distributed under this clause for quarterhorse purposes shall be increased by ten percent (10%) in the following year. However, the money distributed under this clause may not exceed eight percent (8%) of the total amount of money distributed under this subdivision. If the amount of money distributed under this clause is less than eight percent (8%) of the total amount of money distributed under this subdivision in a particular year, the amounts distributed under clauses (A) and (B) for that year shall be increased equally in proportional amounts.

(2) Nineteen percent (19%) to the breed development funds established under IC 4-31-11-10 in the same proportion that money is distributed for the purposes of each breed under subdivision (1).

Sec. 7. (a) A local wagering tax is imposed on the adjusted gross receipts received from pari-mutuel pull tab wagering authorized under this article at the rate of seven percent (7%).

(b) A permit holder shall remit the tax imposed by this section to the department before the close of the business day following the day the wagers are made.

(c) The department may require payment under this section to be made by electronic funds transfer (as defined in IC 4-8.1-2-7(f)).

(d) If the department requires taxes to be remitted under this chapter through electronic funds transfer, the department may allow the permit holder to file a monthly report to reconcile the amounts remitted to the department.

(e) The department may allow taxes remitted under this section to be reported on the same form used for taxes paid under section 1 of this chapter.

**Sec. 8. (a) The local racetrack gaming fund is established. Money in the fund does not revert to the state general fund at the end of a state fiscal year.**

**(b) The department shall deposit tax revenue collected under section 6 of this chapter in the local racetrack gaming fund.**

**(c) The treasurer of state shall establish a separate account within the fund for each county containing a racetrack. Each account consists of the local wagering taxes remitted by the county's racetrack under section 6 of this chapter and deposited into the fund under subsection (b).**

**(d) Money in the fund is appropriated for the purposes of this chapter.**

**Sec. 9. The treasurer of state shall distribute the taxes deposited in the account established under section 8 of this chapter for each county containing a racetrack as follows:**

**(1) To each city located in the county according to the ratio the city's population bears to the total population of the county.**

**(2) To each town located in the county according to the ratio the town's population bears to the total population of the county.**

**(3) After the distributions required in subdivisions (1) and (2) are made, the remainder shall be retained by the county.**

**Sec. 10. (a) As used in this section, "eligible county" means a county that does not contain any of the following:**

**(1) A riverboat licensed under IC 4-33.**

**(2) A racetrack authorized to sell pari-mutuel pull tabs under this article.**

**(b) The state revenue sharing fund is established. The fund shall be administered by the treasurer of state. The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund. Money in the fund does not revert to the state general fund at the end of a state fiscal year.**

**(c) Before August 15, 2006, and each year thereafter, the treasurer of state shall distribute the money deposited in the state**

revenue sharing fund under this chapter in the previous state fiscal year to the county treasurer of each eligible county according to the ratio that the county's population bears to the total population of the eligible counties. The county auditor shall distribute the money received by an eligible county under this subsection as follows:

(1) To each city located in the county according to the ratio the city's population bears to the total population of the county.

(2) To each town located in the county according to the ratio the town's population bears to the total population of the county.

(3) After the distributions required in subdivisions (1) and (2) are made, the remainder shall be retained by the county.

(d) Money in the fund is appropriated continuously for the purposes of this section.

**Sec. 11. Money paid to a political subdivision under this chapter:**

(1) must be paid to the fiscal officer of the political subdivision and must be deposited in the political subdivision's general fund;

(2) may not be used to reduce the political subdivision's maximum levy under IC 6-1.1 but may be used at the discretion of the political subdivision to reduce the property tax levy of the political subdivision for a particular year;

(3) may be used for any purpose specified in this chapter or for any other legal or corporate purpose of the political subdivision, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4; and

(4) is considered miscellaneous revenue.

#### **Chapter 9. Penalties**

**Sec. 1. A person who knowingly or intentionally aids, induces, or causes a person who is:**

(1) less than twenty-one (21) years of age; and

(2) not an employee of a pari-mutuel pull tab operation licensed under this article;

to enter or attempt to enter the pari-mutuel pull tab operation commits a Class A misdemeanor.

**Sec. 2. A person who:**

(1) is not an employee of a pari-mutuel pull tab operation licensed under this article;

(2) is less than twenty-one (21) years of age; and

(3) knowingly or intentionally enters the pari-mutuel pull tab operation;

commits a Class A misdemeanor."

Page 17, between lines 19 and 20, begin a new paragraph and insert:

"SECTION 28. IC 6-8.1-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. "Listed taxes" or

"taxes" includes only the pari-mutuel taxes (IC 4-31-9-3 through IC 4-31-9-5); the riverboat admissions tax (IC 4-33-12); the riverboat wagering tax (IC 4-33-13); **the taxes imposed on pari-mutuel pull tab wagering (IC 4-35-8)**; the gross income tax (IC 6-2.1) (repealed); the utility receipts tax (IC 6-2.3); the state gross retail and use taxes (IC 6-2.5); the adjusted gross income tax (IC 6-3); the supplemental net income tax (IC 6-3-8) (repealed); the county adjusted gross income tax (IC 6-3.5-1.1); the county option income tax (IC 6-3.5-6); the county economic development income tax (IC 6-3.5-7); the municipal option income tax (IC 6-3.5-8); the auto rental excise tax (IC 6-6-9); the financial institutions tax (IC 6-5.5); the gasoline tax (IC 6-6-1.1); the alternative fuel permit fee (IC 6-6-2.1); the special fuel tax (IC 6-6-2.5); the motor carrier fuel tax (IC 6-6-4.1); a motor fuel tax collected under a reciprocal agreement under IC 6-8.1-3; the motor vehicle excise tax (IC 6-6-5); the commercial vehicle excise tax (IC 6-6-5.5); the hazardous waste disposal tax (IC 6-6-6.6); the cigarette tax (IC 6-7-1); the beer excise tax (IC 7.1-4-2); the liquor excise tax (IC 7.1-4-3); the wine excise tax (IC 7.1-4-4); the hard cider excise tax (IC 7.1-4-4.5); the malt excise tax (IC 7.1-4-5); the petroleum severance tax (IC 6-8-1); the various innkeeper's taxes (IC 6-9); the various county food and beverage taxes (IC 6-9); the county admissions tax (IC 6-9-13 and IC 6-9-28); the oil inspection fee (IC 16-44-2); the emergency and hazardous chemical inventory form fee (IC 6-6-10); the penalties assessed for oversize vehicles (IC 9-20-3 and IC 9-30); the fees and penalties assessed for overweight vehicles (IC 9-20-4 and IC 9-30); the underground storage tank fee (IC 13-23); the solid waste management fee (IC 13-20-22); and any other tax or fee that the department is required to collect or administer.

SECTION 29. IC 35-45-5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. This chapter does not apply to the publication or broadcast of an advertisement, a list of prizes, or other information concerning:

- (1) pari-mutuel wagering on horse races or a lottery authorized by the law of any state; ~~or~~
- (2) a game of chance operated in accordance with IC 4-32; **or**
- (3) a pari-mutuel pull tab game operated in accordance with IC 4-35.**

SECTION 30. IC 35-45-5-11 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 11. This chapter does not apply to the sale of pari-mutuel pull tab tickets authorized by IC 4-35."**

Page 17, between lines 40 and 41, begin a new paragraph and insert:

"SECTION 32. [EFFECTIVE JULY 1, 2005] **(a) The Indiana gaming commission shall adopt the emergency rules required under IC 4-35-4-2, as added by this act, before January 1, 2006.**

**(b) This SECTION expires January 31, 2006.**

SECTION 33. [EFFECTIVE JULY 1, 2005] **(a) If the Indiana**

1     **gaming commission determines that a permit holder has met the**  
2     **requirements of this act, the Indiana gaming commission shall**  
3     **adopt a resolution authorizing a permit holder to sell pari-mutuel**  
4     **pull tabs under IC 4-35, as added by this act. The Indiana gaming**  
5     **commission may exercise any power necessary to implement this**  
6     **act under a resolution authorized under this SECTION.**

7     **(b) This SECTION expires December 31, 2006."**

8     Renumber all SECTIONS consecutively.

(Reference is to HB 1522 as printed February 25, 2005.)

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Representative Goodin